- (c) After the grantee submits a copy of the emergency or modernization contract approved by the grantee's governing board, the Secretary makes available 80 percent of the total award amount to a grantee.
- (d) The Secretary makes available up to the remaining 10 percent of the total award amount to the grantee after the grantee submits a statement that—
- (1) Details any earnings, savings, or interest:
  - (2) Certifies that—
- (i) The project is fully completed; and
- (ii) All the awarded funds have been spent for grant purposes; and
  - (3) Is signed by the-
- (i) Chairperson of the governing board:
  - (ii) Superintendent of schools; and
  - (iii) Architect of the project.

(Authority: 20 U.S.C. 7707(b))

### § 222.196 What additional construction and legal requirements apply?

- (a) Except as provided in paragraph (b) of this section, a grantee under this program must comply with—
- (1) The general construction legal requirements identified in the grant application assurances;
- (2) The prevailing wage standards in the grantee's locality that are established by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 276a, et seq.); and
- (3) All relevant Federal, State, and local environmental laws and regulations.
- (b) A grantee that qualifies for a grant because it enrolls a high proportion of federally connected children who reside on Indian lands is considered to receive a grant award primarily for the benefit of Indians and must therefore comply with the Indian preference requirements of section 7(b) of the Indian Self-Determination Act.

(Authority: 20 U.S.C. 7707(b) and 1221e-3)

# PART 225—CREDIT ENHANCEMENT FOR CHARTER SCHOOL FACILITIES PROGRAM

#### Subpart A—General

Sec

- 225.1 What is the Credit Enhancement for Charter School Facilities Program?
- 225.2 Who is eligible to receive a grant?
- 225.3 What regulations apply to the Credit Enhancement for Charter School Facilities Program?
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- 225.10 How does the Secretary evaluate an application?
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- 225.20 When may a grantee draw down funds?
- 225.21 What are some examples of impermissible uses of reserve account funds?

 $\label{eq:authority: 20 U.S.C. 7223, unless otherwise noted.}$ 

SOURCE: 70 FR 15003, Mar. 24, 2005, unless otherwise noted.

#### Subpart A—General

#### § 225.1 What is the Credit Enhancement for Charter School Facilities Program?

- (a) The Credit Enhancement for Charter School Facilities Program provides grants to eligible entities to assist charter schools in obtaining facilities.
- (b) Grantees use these grants to do the following:
- (1) Assist charter schools in obtaining loans, bonds, and other debt instruments for the purpose of obtaining, constructing, and renovating facilities.
- (2) Assist charter schools in obtaining leases of facilities.
- (c) Grantees may demonstrate innovative credit enhancement initiatives

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while meeting the program purposes under paragraph (b) of this section.

(d) For the purposes of these regulations, the Credit Enhancement for Charter School Facilities Program includes grants made under the Charter School Facilities Financing Demonstration Grant Program.

(Authority: 20 U.S.C. 7223)

### § 225.2 Who is eligible to receive a grant?

The following are eligible to receive a grant under this part:

(a) A public entity, such as a State or local governmental entity;

(b) A private nonprofit entity; or

(c) A consortium of entities described in paragraphs (a) and (b) of this section.

(Authority: 20 U.S.C. 7223a; 7223i(2))

#### § 225.3 What regulations apply to the Credit Enhancement for Charter School Facilities Program?

The following regulations apply to the Credit Enhancement for Charter School Facilities Program:

(a) The Education Department General Administrative Regulations (EDGAR) as follows:

(1) 34 CFR part 74 (Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations).

(2) 34 CFR part 75 (Direct Grant Programs).

(3) 34 CFR part 77 (Definitions that Apply to Department Regulations).

(4) 34 CFR part 79 (Intergovernmental Review of Department of Education Programs and Activities).

(5) 34 CFR part 80 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments).

(6) 34 CFR part 81 (General Educational Provisions Act—Enforcement).

(7) 34 CFR part 82 (New Restrictions on Lobbying).

(8) 34 CFR part 84 (Governmentwide Requirements for Drug-Free Workplace (Grants)).

(9) 34 CFR part 85 (Governmentwide Debarment and Suspension (Non-procurement)).

(10) 34 CFR part 97 (Protection of Human Subjects).

(11) 34 CFR part 98 (Student Rights in Research, Experimental Programs, and Testing).

(12) 34 CFR part 99 (Family Educational Rights and Privacy).

(b) The regulations in this part 225.

(Authority: 20 U.S.C. 1221e-3; 1232)

## § 225.4 What definitions apply to the Credit Enhancement for Charter School Facilities Program?

(a) *Definitions in the Act.* The following term used in this part is defined in section 5210 of the Elementary and Secondary Education Act of 1965, as amended by the No Child Left Behind Act of 2001:

Charter school

(b) *Definitions in EDGAR*. The following terms used in this part are defined in 34 CFR 77.1:

Acquisition Applicant Application Award Department EDGAR Facilities Grant Grantee

Nonprofit Private

Project

Public

Secretary

(Authority: 20 U.S.C. 7221(i)(1); 7223d)

## Subpart B—How Does the Secretary Award a Grant?

### § 225.10 How does the Secretary evaluate an application?

- (a) The Secretary evaluates an application on the basis of the criteria in  $\S 225.11$ .
- (b) The Secretary awards up to 100 points for these criteria.
- (c) The maximum possible score for each criterion is indicated in parentheses.

(Authority: 20 U.S.C. 7223; 1232)